ANNUAL REPORT

OF THE

STATE TREASURER

TO THE

GOVERNOR OF MONTANA

HONORABLE FORREST H. ANDERSON

FOR THE

FISCAL YEAR ENDED

June 30, 1970

State of Montana
Office of the
State Treasurer
Helena, Montana

Alex B. Stephenson, State Treasurer
Fern L. Baker, Deputy Treasurer

September 28, 1970.

The Honorable Forrest H. Anderson
Governor
State of Montana
Helena, Montana 59601

Dear Governor Anderson:

In compliance with the requirements of Section 82-4002, R.C.M. 1947, there is herewith submitted to you the report of the Office of State Treasurer covering the fiscal year ended June 30, 1970.

Of major significance is the in depth examination of this office by the Legislative Auditor conducted this year.

To briefly summarize their report, it contained 105 recommendations which involved the administrative activities of this office, the State Controller, Attorney General, Land Board and the State Auditor.

In the interest of brevity I will have to refer you to their report.

Some of their recommendations can be implemented without additional help, however, if we are to follow the major recommendations we would require four to six new employees, additional floor space, and double the present appropriation.

Respectfully submitted,

Alex B. Stephenson

ALEX B. STEPHENSON
State Treasurer

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ITEM NO. 4 - PRINCIPAL OFFICES AND OFFICERS

STATE TREASURER

OFFICER TERM OF OFFICE	HOME ADDRESS
ALEX B. STEPHENSON 1-6-69 - 1-3-72	928 11th Ave. Helena, Montana

PRINCIPAL ADMINISTRATIVE OFFICERS

MRS. FERN L. BAKER	Deputy Treasurer
MRS. MADALENE SHEARER	Cashier

DEPOSITORY BOARD

GOVERNOR	Forrest H. Anderson
STATE AUDITOR	E. V. "Sonny" Omholt
STATE TREASURER	Alex B. Stephenson

PRINCIPAL OFFICE

State Capitol Building - Helena, Montana

ITEM NO. 5 - LEGAL REFERENCES

LEGAL REFERENCES

GENERALLY

Section 79-306(192) designates the state treasurer as the treasurer of each and every state board, commission, bureau, department and state institution, existing or hereafter to be created or established.

Article VII Section 1 (Constitution), Executive Department creating the office of State Treasurer.

Article XII, Section 13, Duties of the State Treasurer for proper accounting.

Article XII, Section 14. The Governor, State Auditor and State Treasurer are hereby constituted as state depository board.

Chapter 5, Volume 6, Part 2, Section 91-501, Escheated Estates provides for the administration of Escheated estates, inheritance by non-resident aliens, and the disposal of unclaimed property.

Section 67-2201. Administrative function concerning unclaimed or abandoned property handled by this department.

Section 82-4101. An act to allow contractors to post governmental obligations with the state treasurer in order to draw payments of retainage monies while under contract with the state or municipalities.

ITEM NO. 6 PRINCIPAL GOALS

To officially receipt for and properly record all monies received, posting same to the proper funds and/or accounts.

To maintain records of account of State monies deposited in banks throughout the state of Montana, including investments of surplus cash in Certificates of Deposit in Montana banks, and investing surplus cash when available in U. S. Treasury bills as authorized by the Depository Board.

Banks are required by law to protect all deposits by pledged collateral, therefore collateral records must be maintained and kept up to date at all times with regard to additions and releases.

To furnish daily to the State Controller and State Auditor copies of all official receipts, and listing of disbursed items whether warrants, bonds or coupons, together with the disbursed items to the State Auditor.

Administer the Escheated Estate and Abandoned Property laws.

To receive and properly record contractor's pledges for contracts as provided in Chapter 194 Session Laws of 1969.

Maintenance of records of investments of various departments when and as reported to this office.

Prepare and make distribution monthly of the State's Beer Tax revenues as required under Vol. 2, Chapter 296, Page 740, 1969 Session Laws.

ITEM NO. 7

PROGRAM INVENTORY AND COST SUMMARY

Program:

Treasury management and administration	Cost 1969-1970	$57,586.00
Abandoned Property	Operations 1969-1970	7,423.00
	Refunds claimed	3,406.00
	Total	$68,415.00

ITEM NO. 8

MAJOR ACCOMPLISHMENTS

Without readily identifiable programs it is almost impossible to point out major accomplishments in specific areas.

While there has been a great increase in the number of deposits made and receipts issued, also in the number of warrants disbursed, and in the number of journal vouchers processed, this office has continued to function efficiently, without any increase in personnel or equipment.

The passage of two laws by the 1969 Session increased the administrative functions of this office:

1. An act to allow contractors to post governmental obligations with the State in order to draw retainage monies, while under contract with the State, municipalities and counties. No appropriation was made to administer the program, however, we have been able to service the contractor's needs.

2. Prepare and make distributions monthly of the State's beer tax revenues as required under Vol. 2, Chapter 296, Page 740 of the 1969 Session Laws.

No additional monies were appropriated to put this requirement into effect.

ITEM NO. 9

MAJOR RECOMMENDATIONS

We can only make reference to the Legislative Auditor's report, which was made this year, in which recommendations concerning this office, if implemented, would make radical changes within the office, which are too voluminous to include in this report.

Whether the recommendations made in the Auditor's report will be followed, will depend entirely on what action is taken by the 1971 Legislative Assembly.

It is our opinion that if this office is to implement all of the recommendations made in the Auditor's report we will have to employ from 4 to 6 additional employees, purchase new accounting and posting machines, and double our present floor space.

ITEM NO. 10

ANALYSIS OF PROGRAMS

Non-applicable

ITEM NO. 11

FINANCIAL RECAP

Administration 1969-1970

Object of Expenditure	
Personal Services, including benefits	$50,737.00
Operation	6,154.00
Equipment	695.00
	$57,586.00

Abandoned Property 1969-1970

Object of Expenditure	
Personal Services, including benefits	6,082.00
Operation	1,274.00
Equipment	67.00
	$7,423.00
Grants - Aband.Prop.Refunds	3,406.00
	$10,829.00
Total	$68,415.00

SOURCE OF FUNDING

General Fund	$57,586.00
Abandoned Property	$10,829.00
Total	$68,415.00